Appendix III.

(Vide item VI on page 38 supra)

ADDRESS BY Shri BISHNURAM MEDHI, GOVERNOR OF MADRAS, TO THE MEMBERS OF THE MADRAS LEGISLATIVE ASSEMBLY AND THE MADRAS LEGISLATIVE COUNCIL, ASSEMBLED TOGETHER AT THE ASSEMBLY CHAMBER, FORT ST. GEORGE, MADRAS, AT 11 A.M. ON THURSDAY, THE 19TH JANUARY 1961.

Hon'ble Members of the Legislature,

It gives me great pleasure to extend to you my hearty greetings for the New Year while inaugurating the current Session of the Madras Legislature. Let me at the outset invite your attention to a happy event of great significance, namely, the proposed visit of Her Majesty Queen Elizabeth of Britain to this country and to this Ciyt of ours. She is the Head of Commonwealth of Nations with which this country is voluntarily associated, but that fact alone may not account for all our present expectancy and jubilance. We have heard a good deal about her great personal charm and read about the many humane qualities by which she has endeared herself to her people. On behalf of the people of this State, I extend to her a most hearty welcome to our midst.

2. The apprehensions which I had expressed in my last Address in August, about the adverse turn in seasonal conditions, were fortunately belied and we may express our thankfulness for a good north-east monsoon. Indeed, the heavy rainfall of November has caused some damage to houses, roads and irrigation works in low-lying areas in many districts and in the City of Madras. Prompt relief measures were organized by the Government in all the stricken areas to mitigate the immediate local distress and the affected people were back on their feet again in quick time. Voluntary contributions for distress-relief have been received from many institutions and individuals including the Prime Minister and some foreign dignitaries, and let me, on behalf of the Government and the people of the State, express my warm gratitude to one and all of the generous donors. In view of the bad condition of the roads in Madras City the Government have decided to step in and to repair the major thoroughfares for which funds have been placed at the disposal of the Corporation.

3. The heavy rainfall has improved agricultural prospects all over the State. Even in pockets where some damage was caused by floods, steps have been taken to raise a fresh crop, towards which the Government have granted liberal loans and subsidies for the purchase of seeds and manures. Foodgrains are now available in adequate quentities in the market all over the State and the expectation of a bumper harvest is easing the price situation. In the meanwhile, about 520 fair-price shops have been opened in the City of Madras and in other urban centres to relieve the pre-harvest hump in retail prices.

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4. The Third Five-Year Plan for the State is now being put into shape in consultation with the Planning Commission. The size of the Plan has been provisionally fixed at about Rs. 291 crores with a Central assistance of about Rs. 190 crores. For the immediate lack of resources we had to accept some pruning of the Draft as approved by this Legislature, but most of the physical targets set in that Draft on major items of development, have been preserved. Going by our experience of the Second Plan, we may yet hope to restore some of these cuts as we proceed on with the implementation.

5. We have given very high priority to agricultural production in the Plan. The target of 15½ lakhs tons of additional food production is indeed a substantial step up on the current production of about 52 lakhs tons and can be achieved only through a special effort. The projected new factories for the manufacture of chemical fertilisers including the one at Neiveli, are expected to go into full production during the Plan period and it should be possible to meet the full requirements of cultivators in nitrogenous and phosphatic manures. A sum of Rs. 27 crores has been set apart for Major Irrigation Works as against Rs. 14½ crores during the current Plan, and Rs. 8 crores for Minor Irrigation Works as against Rs. 4 crores during the current Plan. The Parambikulam Project is expected to be completed during the Plan period, and it is also proposed to take up a few other medium-sized irrigation schemes including major improvements to the existing irrigation systems. The State Seed Farms set up during the current Plan, will be consolidated at a cost of Rupees one crore. A sum of Rs. 2½ crores has been set apart for soil conservation measures. The total allocation for agriculture and allied subjects including Major Irrigation, Community Development and Co-operation, is about Rs. 80 crores out of the Plan outlay of Rs. 291 crores.

6. Equal priority has been assigned in the Plan for the development of Power with an allocation of about Rs. 101 crores. As against an installed capacity of 571 Mega Watts at the end of the current Plan, the Madras Grid will command a capacity of 1,441 Mega Watts at the end of the New Plan including the generation of 400 Mega Watts by the Central Government at Neiveli. As in the Second Plan, we are making an early start on the generation schemes included in the New Plan. Work has already commenced on the Mettur Tunnel Scheme. The final stage of the Kundah Scheme, on which the Canadian Government is continuing to assist, has also been inaugurated. Substantial provision has been made for Rural Electrification and we hope to cover the entire countryside by the end of the New Plan. In spite of the large blocks of power expected to be released during the New Plan period, we may not be able to meet all the growing industrial demands. We have therefore to look round for fresh supplies of power from the neighbouring States and to take steps for setting up an Atomic Power Station in our region.

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7. In the field of major industries, provision has been made in the Central Plan, for raising the mining of lignite at Neiveli from $3\frac{1}{2}$ million tons per annum to $4\frac{1}{2}$ million tons. With the machinery installed for that purpose, production can actually be stepped up to 6 million tons per annum to meet the anticipated requirements of the new steel plant which we are all hoping for. Investigations regarding this steel plant are making satisfactory progress but can be completed only after a sizable quantity of lignite is taken out of the mine in the course of 1961 and actually used for smelting the Salem iron ore in a pilot project. On the data so fer available, we have every reason to hope that this experiment will establish beyond doubt the economic feasibility of the Project. In the present context of shortage of metallurgical coal in the country for the manufacture of steel in the conventional blast furnace, we have cause to be confident that our Project will be sanctioned immediately, it is established that the Neiveli lignite is an effective substitute for coal. On this basis, we have made a provision of Rs. 75 lakhs in our Plan to complete the investigations and have also appointed a Special Officer.

8. The various components of the integrated Neiveli Project such as the Power Station, Fertiliser Factory, Briquetting Plant and the Clay Washing Unit, are all making satisfactory progress. Work has commenced on the Raw Film Factory at Ootacamund and the Teleprinter Unit and the Surgical Instruments Plant in Madras. Provision has been made in the State Plan for a steel re-rolling mill of about 20,000 tons per annum. In the private sector, the construction of the new Paper Plant is making rapid progress. The new Aluminium Company has just gathered the necessary share capital, and construction will commence immediately. Arrangements are also being made for expanding the capacity of the sugar industry to about 2 lakhs tons of fine sugar per annum. In order to accelerate the pace of industrial growth, the Madras Industrial Investment Corporation has been advised to participate to the extent necessary, in the share structure of new industrial units.

9. On small-scale industries, the State Plan provides for an outlay of about Rs. 11 crores on 26 Industrial Estates, 100 Industrial Worksheds and a large number of small industrial units located in the different districts.

10. In respect of communications, a firm decision has been taken to develop Tuticorin into a deep-sea harbour, for which provision is being made in the Central sector of the Third Plan. We have also reason to hope that the vigorous representations made by the Government to the Ministry of Railways on the proposed new railway lines for the South, are likely to evoke a favourable response.

11. On Technical Education, the New Plan provides for an increase in the admissions to Engineering Colleges by 610, and to Polytechnics by 700. A Regional Engineering College will be

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established in this State by the Central Government. On General Education, compulsion will be enforced in the age-group of 6–11 and the Midday Meal Programme will be expanded to cover about 17 lakhs of children. The total allocation for Education, including Technical Education, is about Rs. 32 crores.

12. The main business for the current Session is the consideration of the Annual Budget for 1961–62. Supplementary Estimates for certain urgent items of expenditure in the current year will also come up for your immediate consideration. Other legislative proposals are—

(*a*) a Bill to provide for the Control and Regulation of Chit Funds;

(*b*) a Bill to amend the Madras State-Aid to Industries Act to liberalise the conditions governing the grant of aid; and

(*c*) a Bill to replace the Notification issued under Section 59 of the Madras General Sales Tax Act deleting certain items from the First Schedule of the Act.

13. I now look forward with keen interest to your deliberations with the assurance that they will be conducted with the dignity and the high sense of public duty for which this Legislature is justly renowned.

APPENDIX IV.

(*Vide* item VII on pages 107-128 *supra*.)

Statement with reference to Assurance No. 1064 (Question No. 335) by Sri K. R. Viswanathan.

No such petition, dated 23rd June 1960, has been received from the villagers of Mudukulam, Pudupalayam and adjacent hamlets requesting organization of either a Co-operative Credit Society or a Co-operative Marketing Society.